



PROPERTY FORECLOSURE EVENTS IN MARYLAND

FOURTH QUARTER 2022

DECEMBER 2022

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Property Foreclosure Events in Maryland
FOURTH QUARTER 2022

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Property Foreclosure Events in Maryland

FOURTH QUARTER 2022

Executive Summary

Fourth quarter Attom (formerly Realty Trac) Data shows that property foreclosure filings (or events) in the U.S., which includes notices of default; notices of foreclosure sales or auctions; and lender purchases (REO) of foreclosed properties, decreased 3.4 percent to 91,434 events from the previous quarter. Compared with year ago levels, foreclosures increased by 61.0 percent (Exhibit 1) as the housing market returns to some normalcy after foreclosure related restrictions are no longer in place.

The U.S. foreclosure rate, defined as the number of foreclosures per 10,000 households, fell from 7.1 in the previous quarter to 6.9 in the current quarter. Nationally, foreclosure activity grew in 22 states and the District of Columbia but fell in the other 28. Events increased 172 percent in the District of Columbia (The District). Compared with levels from a year ago, foreclosure events increased in 47 states and in the District but declined in Florida, North Dakota and Rhode Island. The top five quarterly increases were in the District (172%), Vermont (153%), North Dakota (82%), Arkansas (72%) and Nebraska (29%). The largest declines were recorded in Alaska, Connecticut, Florida, Kansas, and New Hampshire. On an annual basis, foreclosure events increased virtually in every state except Rhode Island, Florida, and North Dakota.

In 2022 as a whole, Attom Data reported 157,981 foreclosure filings, an increase of 114.2 percent and a rate of 11 in 10,000 households in the U.S. The low level of events can be attributed to the moratoriums placed on foreclosure activity during the pandemic years of 2020 and 2021. Compared with pre-pandemic year of 2019, foreclosures declined by 37.9 percent with a rate of 39 per 10,000 households.

In Maryland, annual trends mirror 2022 events nationally. Foreclosure activity being 115.5 percent with a rate of 16 per 10,000 households. Compared with 2019 levels, activity fell by 59.3% with a corresponding rate of 69 in 10,000 households in Maryland.

In the fourth quarter of 2022, Maryland foreclosure activity fell 11.1 percent from the prior quarter to 2,172 events. The decline from the third quarter can be attributed primarily to declines in the number of notices of default and lender purchases which dropped by 26 and 12.6 percent, respectively. Foreclosure sales grew in the fourth quarter as homeowners sought moderately priced homes amidst fluctuating interest rates.

New notices of default filings decreased 26.0 percent to 1,122 in the fourth quarter but rose 243.1 percent above the same period last year. Foreclosure sales increased by 25.4 percent to 774 properties as interest rate hikes are steering more homebuyers to seek bargains across the state. Compared with the same period last year, foreclosure sales grew 30.7 percent. Lender purchases decreased from the prior quarter to 318 properties, a 12.6 percent drop from third quarter of 2022 and purchases declined annually by 15.4 percent. Property foreclosure activity in Maryland is expected to gradually return to pre-pandemic levels since the expiration of the government's moratorium. Also, we expect foreclosure events to inch up steadily for the next few quarters as the market adjusts to interest rate hikes and other inflationary impact on Maryland households and the nation at large.

Maryland's foreclosure rate decreased this quarter, from 10.2 in the third quarter to 9.1 foreclosures per 10,000 households in the fourth quarter of 2022. Maryland's foreclosure ranking remained among the top ten states with the highest foreclosure rates nationwide, along with Delaware, Florida, Illinois, Indiana, Nevada, New Jersey, New York, Ohio and South Carolina. The state's foreclosure rate was 2.2 percent higher than the U.S. rate of 6.9 in the fourth quarter.

Among the neighboring states, Delaware maintained the 2nd highest ranking; Pennsylvania rose from the 23rd rank to the 19th; Virginia’s ranking also moved one spot to the 28th rank in the fourth quarter.

Attom’s methodology reports total number of filings in these stages of foreclosure. As a result, the sum of the stages of foreclosure during a quarter may exceed the actual number of foreclosed properties as properties are moved from one stage of the process to the other during the quarter. To eliminate multiple counting of foreclosure events, the total number of foreclosures in this report represents the number of unique properties only. “Events,” “properties,” and “filings” are used interchangeably in this report.

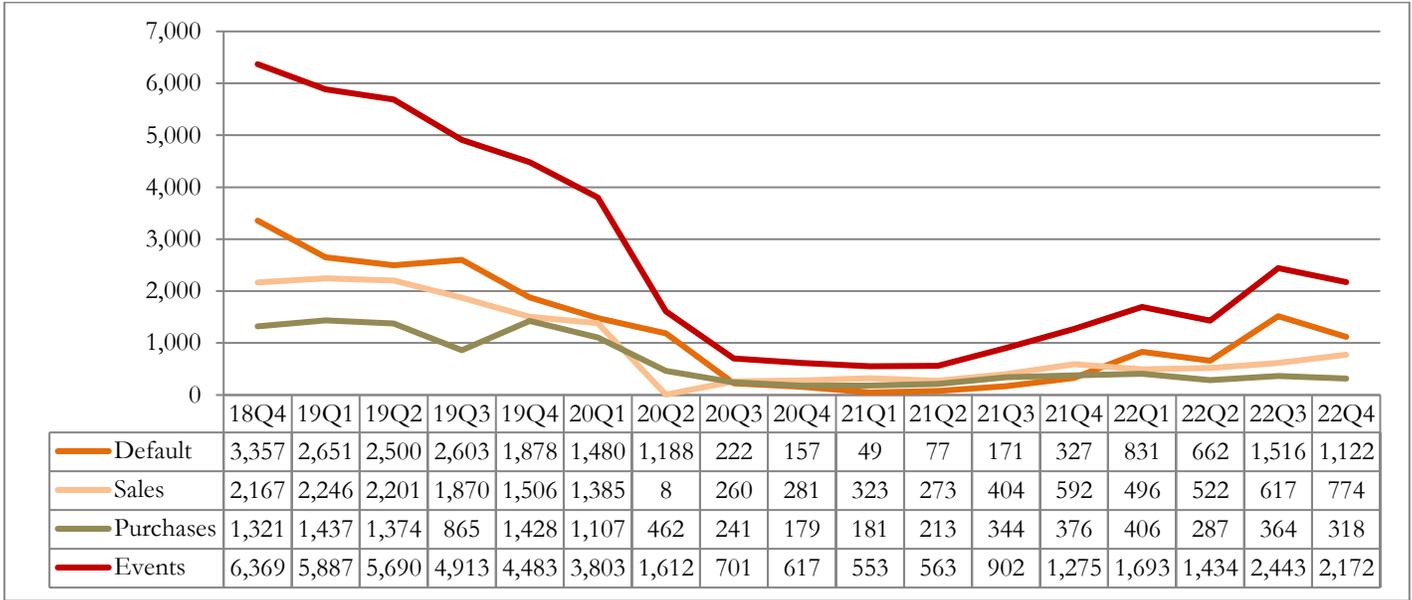
EXHIBIT 1. FORECLOSURES IN MARYLAND AND U.S.
FOURTH QUARTER 2022

Indicator	Notices of Default	Notices of Sales	Lender Purchases	Properties with Foreclosure Filings*
<i>Maryland</i>				
Number of Events	1,122	774	318	2,172
Change (Last Quarter)	-26.0%	25.4%	-12.6%	-11.1%
Change (Last Year)	243.1%	30.7%	-15.4%	70.4%
<i>U.S.</i>				
Number of Events	40,643	41,643	11,589	91,434
Change (Last Quarter)	-6.0%	-3.0%	10.2%	-3.4%
Change (Last Year)	118.0%	34.2%	38.7%	61.0%

*The sum of the three stages of foreclosure may exceed the number of properties. The last column in this table represents the number of unique property foreclosures, hence multiple counting of the events has been eliminated.

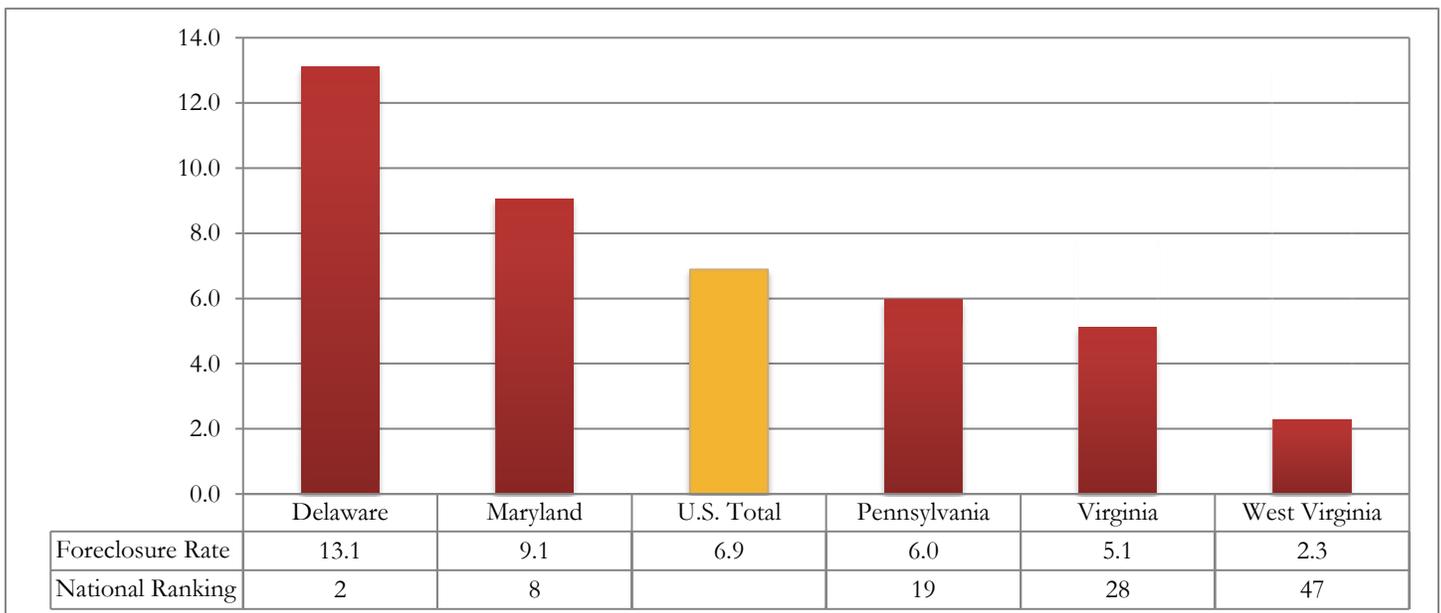
Source: Attom Data and DHCD, Housing and Economic Research Office

EXHIBIT 2. STAGES OF FORECLOSURE ACTIVITY IN MARYLAND
FOURTH QUARTER 2022



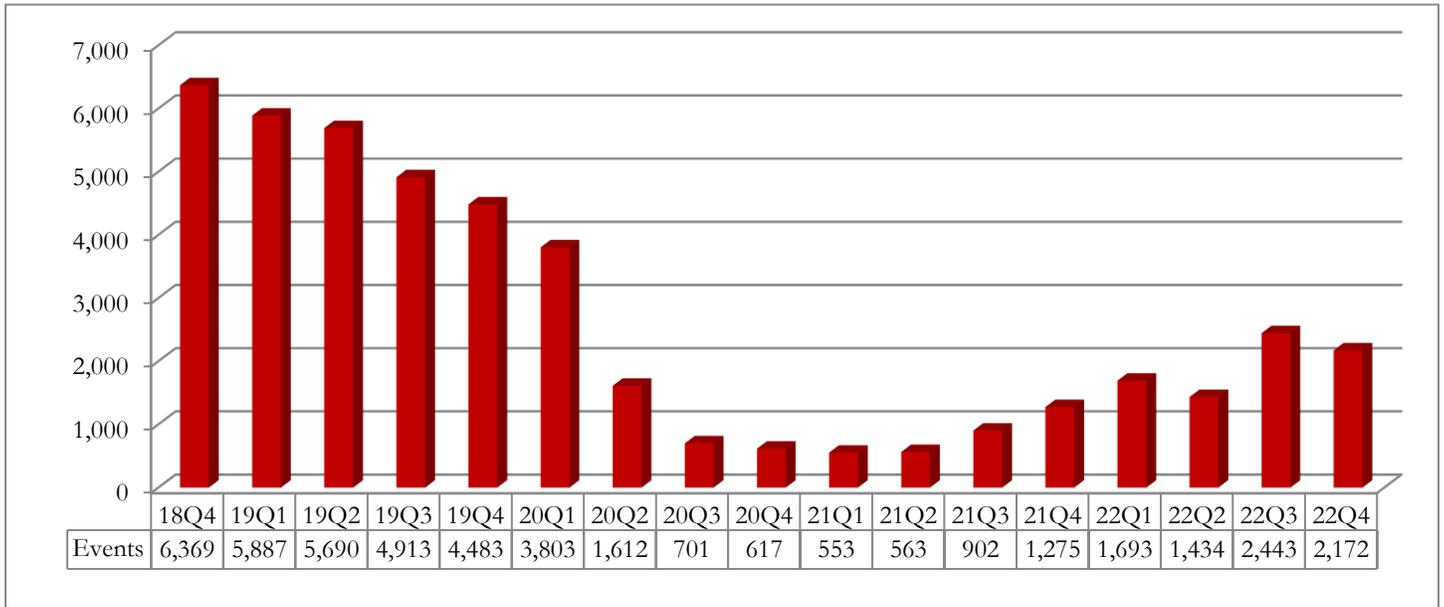
Source: Attom Data and DHCD, Housing and Economic Research Office

CHART 1. FORECLOSURE RATES IN THE REGION
NUMBER OF FORECLOSURES PER 10,000 HOUSEHOLDS
FOURTH QUARTER 2022



Source: Attom Data and DHCD, Housing and Economic Research Office

CHART 2. TOTAL FORECLOSURE ACTIVITY
FOURTH QUARTER 2022



Source: Attom Data and DHCD, Housing and Economic Research Office

Table 1 shows the distribution of fourth quarter foreclosure events in Maryland. Compared to the third quarter of 2022, foreclosure events grew in seven jurisdictions and fell in the remaining 17 jurisdictions. Caroline County had the highest quarterly growth (56.0 percent) followed by Dorchester County which increased by 42.3 percent; Talbot County rose 31.8 percent; Kent with 26.2 percent and Wicomico County with 25.6 percent. When compared to levels a year ago, foreclosure activity increased all 24 jurisdictions; the jurisdiction with the biggest year-over-year increase was also Talbot County at 400 percent.

Prince George’s County had the largest share of foreclosures statewide with 402 events accounting for 18.5 percent of the total. Foreclosure activity in Prince George’s County decreased 22.7 percent from the third quarter but increased by 44.2 percent above year ago levels. Baltimore County had the second largest share of foreclosures—16.0 percent—at 347 events, a decline of 4.5 percent since last quarter but was up 68.2 percent from year ago levels. Baltimore City with 315 events, or 14.5 percent of total, had the third-highest share in Maryland; foreclosures in the City fell 9.9 percent below last quarter but rose 80.2 percent above year ago levels.

Three other jurisdictions had relatively large shares (greater than 100 events) of foreclosure events. Anne Arundel had 187 events (or 8.6 percent of the total). Montgomery had 162 events (or 7.4 percent of the total). Charles followed with 114 events (or 5.3 percent). These jurisdictions represent 70.3 percent of all foreclosure events in Maryland.

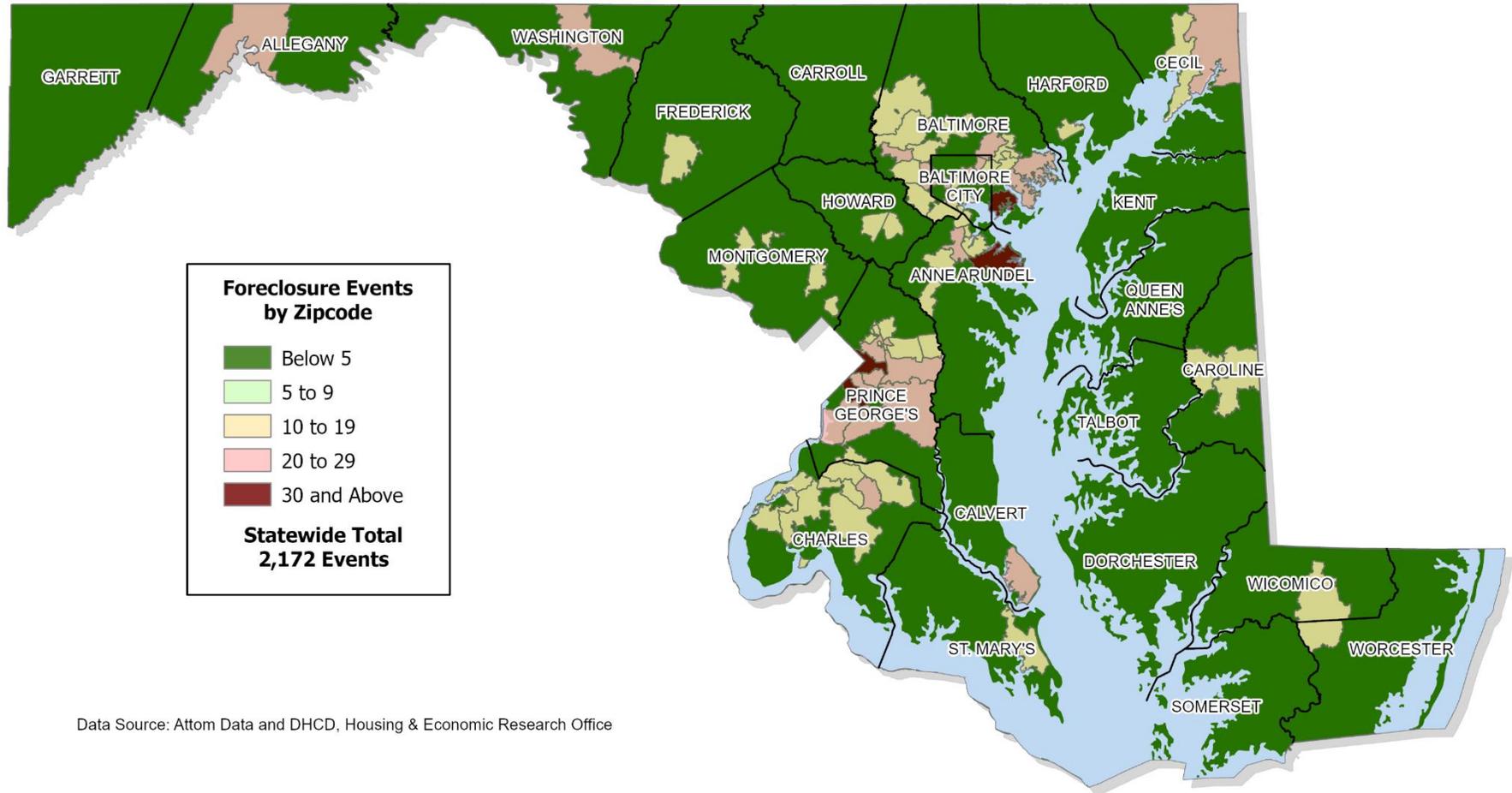
TABLE 1. PROPERTY FORECLOSURE EVENTS
FOURTH QUARTER 2022

Jurisdiction	Notices of Default	Notices of Sales	Lender Purchases (REO)	Total*			
				Number	County Share	% Change from	
						2022 Q3	2021 Q4
Allegany	17	8	4	29	1.3%	-24.7%	144.1%
Anne Arundel	80	88	25	187	8.6%	-15.7%	9.8%
Baltimore	199	101	50	347	16.0%	-4.5%	68.2%
Baltimore City	159	110	52	315	14.5%	-9.9%	80.2%
Calvert	28	13	3	45	2.1%	19.9%	59.4%
Caroline	11	10	4	22	1.0%	56.0%	225.1%
Carroll	24	16	10	50	2.3%	14.9%	186.1%
Cecil	26	16	10	52	2.4%	-3.7%	205.9%
Charles	60	37	18	114	5.3%	-8.9%	113.7%
Dorchester	6	9	6	21	1.0%	42.3%	191.7%
Frederick	41	24	10	73	3.3%	-3.4%	118.2%
Garrett	2	2	3	7	0.3%	-43.9%	14.4%
Harford	46	32	11	87	4.0%	-4.6%	233.9%
Howard	29	27	11	66	3.0%	-1.0%	74.0%
Kent	5	3	1	8	0.4%	26.2%	29.9%
Montgomery	79	64	22	162	7.4%	-15.6%	42.7%
Prince George's	220	148	46	402	18.5%	-22.7%	44.2%
Queen Anne's	10	2	3	16	0.7%	-45.3%	81.0%
Somerset	3	3	3	9	0.4%	-6.0%	96.8%
St. Mary's	20	9	6	35	1.6%	-27.3%	50.0%
Talbot	7	6	4	15	0.7%	31.8%	400.0%
Washington	18	28	7	53	2.4%	-23.7%	139.5%
Wicomico	23	13	5	40	1.8%	25.6%	237.4%
Worcester	8	4	5	17	0.8%	-0.2%	179.4%
Maryland	1,122	774	318	2,172	100.0%	-11.1%	70.4%

*The sum of the three stages of foreclosure may exceed the total. Total number of foreclosures represents unique properties.
Source: Attom Data and DHCD, Housing and Economic Research Office

Property Foreclosure Filings in Maryland

Fourth Quarter 2022



Data Source: Attom Data and DHCD, Housing & Economic Research Office

Notices of Mortgage Loan Default

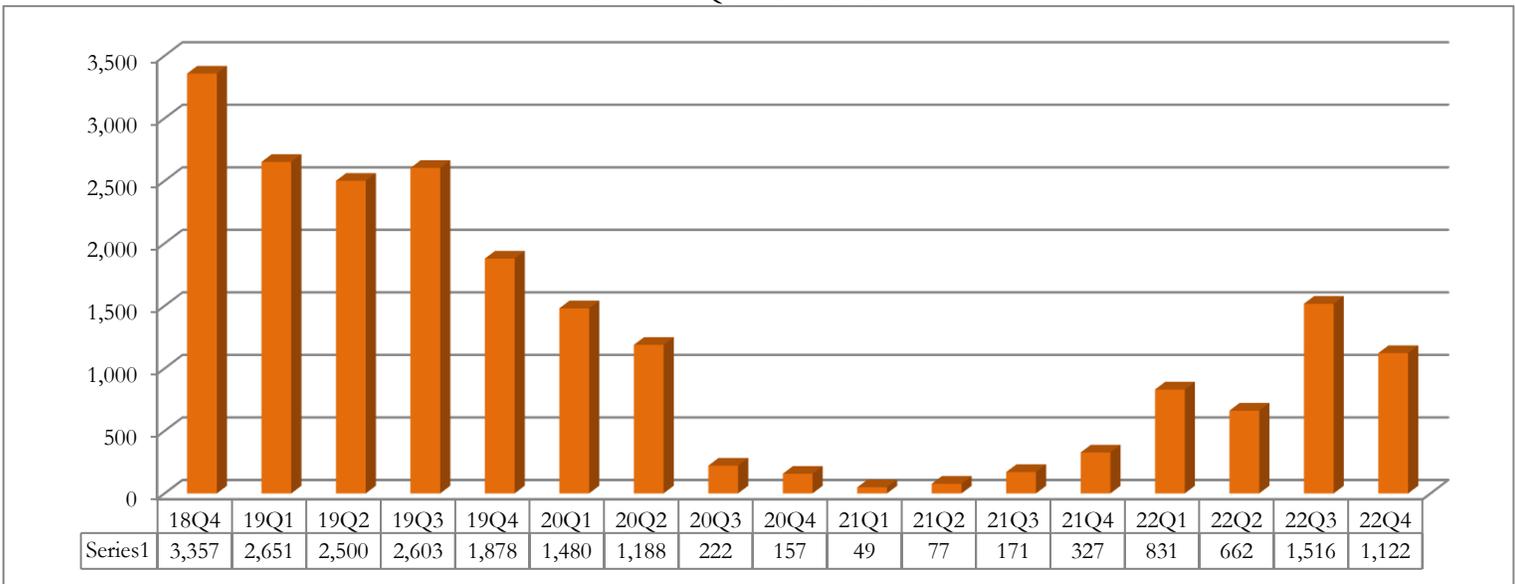
FOURTH QUARTER 2022

Default notices (the initial document filed by the lender to state the foreclosure process, also called pre-foreclosure stage) decreased to 1,122 filings, a 26.0 percent drop since the third quarter (Chart 3). This is a 243.1 percent increase from the fourth quarter of 2021 when five jurisdictions recorded zero default notices. Almost all jurisdictions experienced a decrease in default notices since last quarter. Nearly all jurisdictions reported more than double digit growth from the same period last year due in part to servicers resumption of pre-pandemic operation levels as restrictions are no longer in place.

By jurisdiction, Prince George’s County accounted for the largest share of defaults with 19.6 percent of all filings statewide or 220 notices (Table 2). The county’s default notices decreased 34.1 percent from the previous quarter but rose by 94.4 percent from year ago levels during the pandemic when there were 113 defaults. Baltimore County, with 199 default notices (17.8 percent of the total), had the second-highest number of defaults in Maryland. The County’s new defaults decreased by 20.6 percent from the preceding quarter but increased significantly (289.0 percent) since this time last year. Similarly, Baltimore City, with 159 default notices, or 14.2 percent of the total, had the third-highest number of notices, decreased 26.8 percent from the prior quarter but rose 329.9 percent above year ago levels.

Anne Arundel County’s 80 default notices were fourth-highest, 7.2 percent share. Montgomery County followed with 79 notices as the fifth-highest, 7.0 percent share. Together, these five jurisdictions represented 657 percent of all default notices issued statewide.

CHART 3. NOTICES OF MORTGAGE LOAN DEFAULT
FOURTH QUARTER 2022



Source: Attom Data and DHCD, Housing and Economic Research Office

TABLE 2. NOTICES OF MORTGAGE LOAN DEFAULT
FOURTH QUARTER 2022

Jurisdiction	2022 Q4		% Change from	
	Number	% of Total	2022 Q3	2021 Q4
Allegany	17	1.5%	-39.3%	750.0%
Anne Arundel	80	7.2%	-38.6%	177.4%
Baltimore	199	17.8%	-20.6%	289.0%
Baltimore City	159	14.2%	-26.8%	329.9%
Calvert	28	2.5%	32.6%	323.7%
Caroline	11	0.9%	34.3%	n/a
Carroll	24	2.1%	-16.8%	736.5%
Cecil	26	2.3%	-23.5%	420.0%
Charles	60	5.3%	-9.5%	365.8%
Dorchester	6	0.6%	-41.6%	210.5%
Frederick	41	3.7%	-19.0%	723.6%
Garrett	2	0.2%	-71.3%	100.0%
Harford	46	4.1%	-26.4%	646.8%
Howard	29	2.6%	-19.1%	307.2%
Kent	5	0.4%	9.4%	n/a
Montgomery	79	7.0%	-22.7%	162.6%
Prince George's	220	19.6%	-34.1%	94.4%
Queen Anne's	10	0.9%	-39.0%	n/a
Somerset	3	0.3%	-39.6%	n/a
St. Mary's	20	1.8%	-17.3%	376.9%
Talbot	7	0.6%	-13.9%	n/a
Washington	18	1.6%	-53.1%	154.0%
Wicomico	23	2.1%	10.9%	669.7%
Worcester	8	0.8%	-19.0%	322.0%
Maryland	1,122	100%	-26.0%	243.1%

*The sum of notices of foreclosure default may exceed the total. Total number of notices of foreclosure default includes events occurring in partial census tracts.

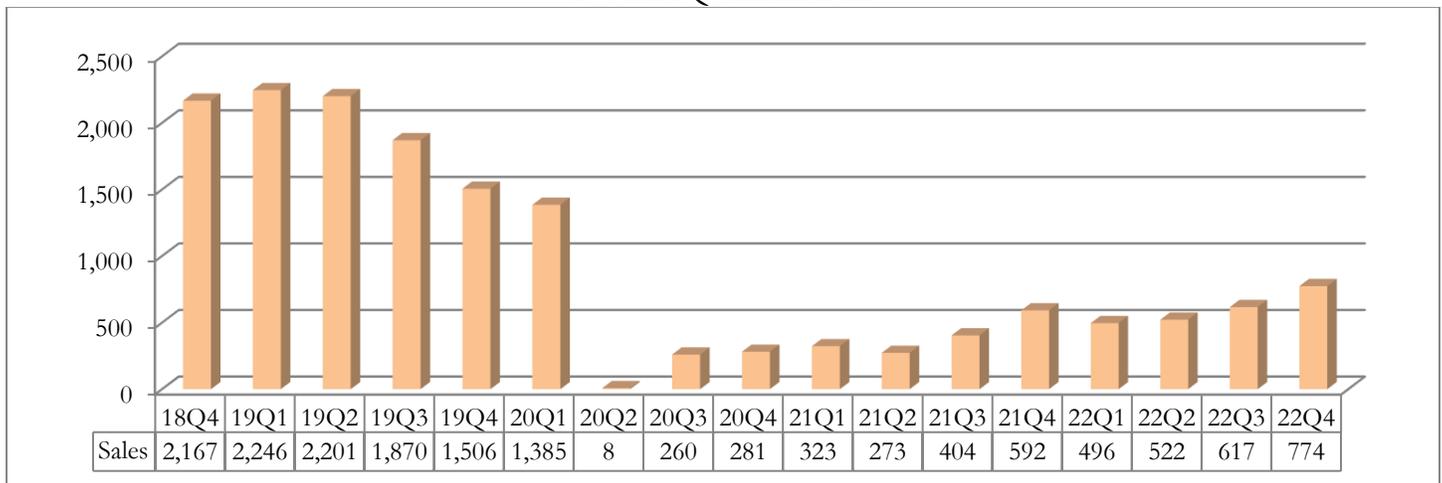
Source: Attom Data and DHCD, Housing and Economic Research Office

Notices of Foreclosure Sales FOURTH QUARTER 2022

Foreclosure sales notices or judgment of sales notices, (orders signed by a judge authorizing the sale of a property at a public auction) increased 25.4 percent from the prior quarter to 774 filings (Chart 4). Sales are rising slowly following the removal of COVID-19 mandates. The steady rise in sales can be attributed to relatively higher home prices along with rising interests as buyers look for bargains in the foreclosure market. Foreclosure sales increased from the previous quarter in 19 jurisdictions and declined in the remaining five jurisdictions. Wicomico County had the most significant quarterly growth of 350.3 percent in the preceding quarter while Queen Anne’s County experienced the largest drop of 68.9 percent in sales from the preceding quarter. On an annual basis, sales increased 25.4 percent in 18 of Maryland’s jurisdictions, increased in five while Wicomico County had no activity to record a change. Sales decreased in Calvert, Kent, Montgomery, Queen Anne’s, and St. Mary’s County.

Prince George’s County accounted for the jurisdiction with the highest share of foreclosure sales at 148 notices or 19.1 percent of all Maryland notices (Table 3). Current quarter foreclosure sales rose by 16.8 percent in the County and 26.4 percent since the fourth quarter of 2021. Baltimore City with 110 notifications, or 14.2 percent of the total, had the second-highest number of foreclosure sales in Maryland. Foreclosure sales in the City increased by 13.8 percent from the preceding quarter and by 2.3 percent compared with the same period in 2021. Baltimore County with 101 sales, or 13.1 percent of the total—had the third-highest number of foreclosure sales. Notices of sales in Baltimore County rose 27.4 percent from the previous quarter and by 26.5 percent from the same period last year. The fourth and fifth-highest shares of foreclosure sales this quarter occurred in Anne Arundel County (88 sales or 11.3 percent) and Montgomery County (64 sales or 8.3 percent). Together, these jurisdictions accounted for 66.1 percent of all notices of sales issued statewide.

**CHART 4. NOTICES OF FORECLOSURE SALES
FOURTH QUARTER 2022**



Source: Attom Data and DHCD, Housing and Economic Research Office

TABLE 3. NOTICES OF FORECLOSURE SALES
FOURTH QUARTER 2022

Jurisdiction	2022 Q4		% Change from	
	Notices of Sales	% of Total	2022 Q3	2021 Q4
Allegany	8	1.0%	-9.9%	204.2%
Anne Arundel	88	11.3%	30.5%	72.0%
Baltimore	101	13.1%	27.4%	26.5%
Baltimore City	110	14.2%	13.8%	2.3%
Calvert	13	1.7%	49.7%	-18.2%
Caroline	10	1.3%	158.3%	103.1%
Carroll	16	2.1%	49.9%	28.9%
Cecil	16	2.1%	33.3%	60.0%
Charles	37	4.7%	34.2%	46.1%
Dorchester	9	1.1%	67.4%	190.7%
Frederick	24	3.1%	14.1%	2.2%
Garrett	2	0.3%	-51.5%	440.5%
Harford	32	4.1%	56.0%	88.4%
Howard	27	3.5%	86.6%	65.7%
Kent	3	0.4%	57.5%	-33.2%
Montgomery	64	8.3%	11.5%	-10.3%
Prince George's	148	19.1%	16.8%	26.4%
Queen Anne's	2	0.3%	-68.9%	-55.6%
Somerset	3	0.4%	-6.9%	197.0%
St. Mary's	9	1.2%	-16.8%	-8.9%
Talbot	6	0.8%	100.0%	200.0%
Washington	28	3.7%	34.4%	223.1%
Wicomico	13	1.7%	350.3%	n/a
Worcester	4	0.5%	127.7%	109.5%
Maryland	774	100.0%	25.4%	30.7%

*The sum of notices of foreclosure sales may exceed the total. Total number of notices of foreclosure sales includes events occurring in partial census tracts.

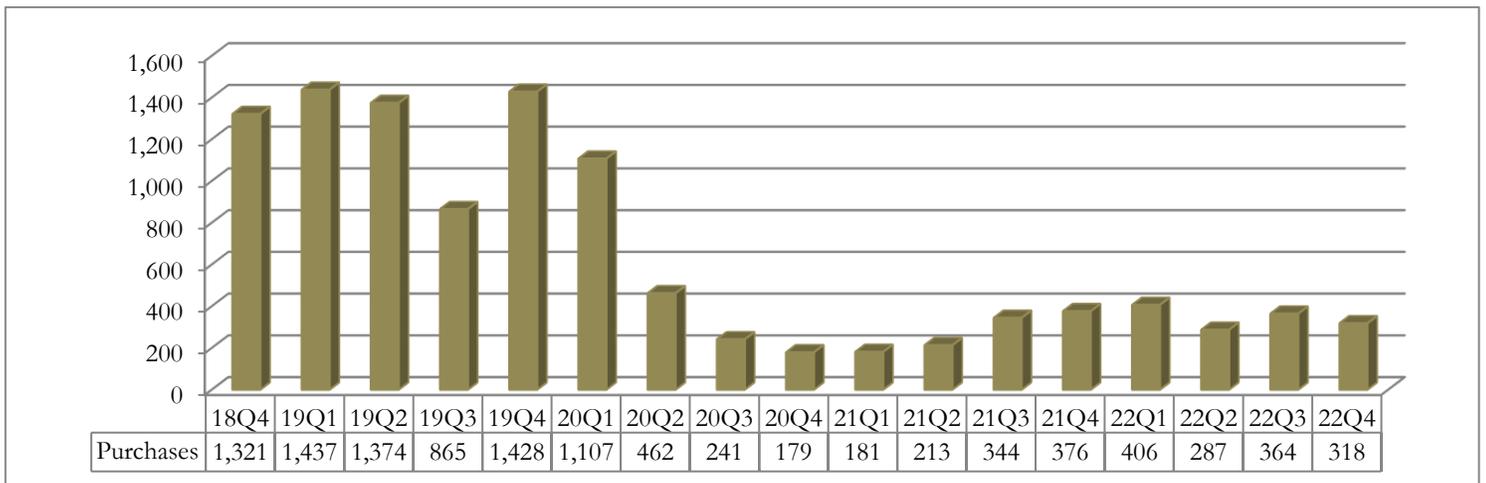
Source: Attom Data and DHCD, Housing and Economic Research Office

Lender Purchases of Foreclosed Properties FOURTH QUARTER 2022

Lender purchases, or real estate owned (REO) by the lender (the final step in the foreclosure process that conveys property ownership back to lender), decreased 12.6 percent since the third quarter to 318. Compared to activity in the fourth quarter of 2021, lender purchases declined 15.4 percent. The largest quarterly and year-over-year increases were in Talbot County which rose by 220.0 percent and Carroll County which rose by 382.7 percent, respectively.

In the current quarter, Baltimore City had the highest concentration in Maryland (Table 4) with 52 lender purchases or 16.2 percent of the total. Lender purchases in the city rose 17.0 percent since the third quarter and 51.2 percent over last year’s volume. REO in Baltimore County, with a total of 50 purchases, accounted for the second-highest concentration at 15.8 percent of purchases statewide. Sales in the County increased by 23.8 percent from the third quarter but fell by 34.4 percent from the fourth quarter of 2021. Prince George’s County, with 46 REOs recorded the third highest share (14.4 percent) in the fourth quarter. Anne Arundel County, with 25 lender purchases (7.7 percent of the total), had the fourth highest concentration in Maryland. Lender purchases in the county decreased by 19.2 percent from the preceding quarter to 73.8 percent when compared with the levels a year ago. Together, these jurisdictions represented 45.6 percent of all lender purchases.

CHART 5. LENDER PURCHASES OF FORECLOSED PROPERTIES
FOURTH QUARTER 2022



Source: Attom Data and DHCD, Housing and Economic Research Office

**TABLE 4. LENDER PURCHASES OF FORECLOSED
PROPERTIES
FOURTH QUARTER 2022**

Jurisdiction	2022 Q4		% Change from	
	Number	% of Total	2022 Q3	2021 Q4
Allegany	4	1.3%	-13.6%	-44.8%
Anne Arundel	25	7.7%	-19.2%	-73.8%
Baltimore	50	15.8%	23.8%	-34.4%
Baltimore City	52	16.2%	17.0%	51.2%
Calvert	3	0.9%	-62.5%	-40.0%
Caroline	4	1.1%	40.6%	78.5%
Carroll	10	3.0%	108.1%	382.7%
Cecil	10	3.1%	11.1%	233.3%
Charles	18	5.7%	-45.6%	9.1%
Dorchester	6	2.0%	n/a	185.8%
Frederick	10	3.1%	130.4%	107.9%
Garrett	3	0.9%	119.0%	-36.8%
Harford	11	3.5%	0.3%	121.3%
Howard	11	3.4%	-32.9%	-29.1%
Kent	1	0.2%	-47.9%	-68.6%
Montgomery	22	6.8%	-38.2%	36.9%
Prince George's	46	14.4%	-33.2%	-8.8%
Queen Anne's	3	1.0%	-43.7%	-10.4%
Somerset	3	1.0%	219.0%	-14.9%
St. Mary's	6	1.9%	-57.7%	-34.7%
Talbot	4	1.3%	220.0%	300.0%
Washington	7	2.4%	-45.2%	17.0%
Wicomico	5	1.6%	-38.1%	-44.1%
Worcester	5	1.5%	-3.2%	123.9%
Maryland	318	100.0%	-12.6%	-15.4%

*The sum of lender purchases may exceed the total. Total lender purchases includes events occurring in partial census tracts.

Source: Attom Data and DHCD, Housing and Economic Research Office